Center on Budget and Policy Priorities

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December 15, 2016

The Honorable Sylvia Mathews Burwell, Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Burwell,

The Center on Budget and Policy Priorities is a nonpartisan research and policy organization based in Washington, D.C. Founded in 1981, the Center conducts research and analysis to inform public debates and policymakers about a range of budget, tax and programmatic issues affecting individuals and families with low or moderate incomes.

Thank you for the opportunity to comment on Florida's proposal to amend its section 1115 waiver. The waiver would allow Florida Medicaid managed care organizations to reimburse housing services providers for services they provide to help people with behavioral health conditions who are experiencing or at risk of homelessness transition to housing in their communities. We support the amendment and ask CMCS to quickly approve Florida's request to give Florida time to start these pilot projects before its waiver expires in June 2017.

In June 2015 the Center for Medicaid and CHIP Services (CMCS) issued an Informational Bulletin[1] that explains how states can use Medicaid funds to pay for certain housing transition, tenancy support, and state-level housing related collaboration activities for individuals with disabilities, older adults needing long term services and supports (LTSS) and those experiencing chronic homelessness. The Informational Bulletin describes several Medicaid authorities that can be used to add these benefits to a state Medicaid program, including 1115 waiver authority. Florida is proposing to use 1115 waiver authority to pilot its project in specific regions, rather than statewide. Starting with a pilot project will allow the state to measure effectiveness and support current local projects that target housing and services to high cost users of the health care system who are also experiencing homelessness.[2]

In the Informational Bulletin, CMCS recognized that transition, tenancy support and other related services are necessary to integrate people with disabilities into community-based services, and that

[1] CMCS Informational Bulletin, "Coverage of Housing-Related Activities and Services for Individuals with Disabilities," June 2015, https://www.medicaid.gov/federal-policy-guidance/downloads/cib-06-26-2015.pdf.
[2] This waiver allows for pilot projects in two regions, one of which includes Orlando. Recently, Florida Hospital contributed $6 million to address the health service needs of homeless populations living in Orlando. This waiver could sustain and grow this project. For more information on this project, see this news article from 2014 - Kate Santich & Mark Schlueb, "Florida Hospital Pledges Millions to Help Solve Homelessness," *Orlando Sentinel*, November 10, 2014, http://www.orlandosentinel.com/news/os-money-for-homeless-20141110-story.html

the effectiveness of programs, such as Money Follows the Person or Real Choice Systems Change grants, is limited if people with histories of housing instability and behavioral health conditions cannot acquire and maintain housing. When these services aren't available state Medicaid programs can end up paying for expensive nursing home care or high cost emergency department or other crisis health services for people experiencing homelessness.

Florida includes peer support and mobile crisis care services as eligible Medicaid benefits. Peer support professionals use their own life experiences to engage clients and develop trusting relationships that help consumers make choices that improve their health. Mobile support services allow providers to reach consumers in or near their home especially in places where service providers are scarce, not connected to public transportation or there are other barriers to obtaining care. These services complement housing-related support services and are vitally important to the target population.

Florida's pilot projects would target adults with a serious mental illness, substance use disorder or co-occurring mental health and substance use disorders who are also homeless or at risk of homelessness due to their disability. The state proposes a one-year pilot (due to the current 1115 waiver expiring in June 2017) with an enrollment cap of 42,500 total participant months (3,500 people could have 12 months of care) and estimates a per member, per month cost of $218.65.

We believe this cap is adequate for the proposed regions to test delivering housing-related Medicaid services to people experiencing homelessness. The Department of Housing and Urban Development's 2016 Point-in-Time count[3] estimates that, in the proposed pilot sites, over 6,100 people experience homelessness on any given night. However, this level of housing-related support is not needed for the entire homeless population, only those with mental health or substance use disorders who cannot maintain affordable housing without added case management and housing support services.

This waiver amendment is straightforward and in keeping with CMCS' priorities, so we hope it can be approved as quickly as possible. Thank you for your willingness to consider our comments. If you need additional information, please contact Peggy Bailey (pbailey@cbpp.org).

[3] HUD requires Homeless Continuum of Care entities to conduct annual counts of people experience homelessness in sheltered situations on a given night in January. Those who are unsheltered are required to be counted every other year (odd numbered years). HUD issues a report to Congress called the Annual Homelessness Assessment Report to detail the findings. Link to cited data - https://www.hudexchange.info/resource/3031/pit-and-hic-data-since-2007/.